



MINUTES
Economic Development Authority
March 24, 2020

CALL TO ORDER

The Economic Development Authority meeting was called to order at 5:00 pm.

Present: Chair: Jahn Dyvik (in person); Board: Charlie Miner (in person), Lori Goodsell (telephonic), Tim Hultmann (telephonic), Michelle Jerde (telephonic), Tom Skjaret (telephonic), and Deirdre Kvale (telephonic)

Staff Present: City Administrator/Executive Director: Scott Weske (in person); and City Attorney: John Thames (telephonic)

Absent: None

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

A motion was made by Jerde, seconded by Miner, to approve the agenda. Ayes: all.

CONSENT AGENDA

- A. Approve Minutes of February 18, 2020 Economic Development Authority Meeting

A motion was made by Jerde, seconded by Miner, to approve the minutes of the February 18, 2020 EDA meeting. Ayes: all.

OPEN CORRESPONDENCE

None.

BUSINESS ITEMS

Closed Session: Discuss Offer for Purchase of City-Owned Virginia Avenue Property

City Administrator Weske explained how the members would be moved into closed session.

A motion was made by Hultmann, seconded by Jerde, to move into closed session at 5:05 pm. Ayes: all

City Attorney Thames gave an overview of what the EDA would be discussing in closed session regarding the Virginia Avenue property; documents submitted for the EDA's review; and revisions made to the draft Purchase Agreement proposed between the City and developer Lifestyle Communities.

The EDA discussed the details in the proposed draft Purchase Agreement; the difference between the property sale and the development project processes; the possible economic impact of this project; and the feasibility of a potential TIF district.

A motion was made by Goodsell, seconded by Jerde, to end the closed session and return to an open session at 6:09 p.m. Ayes: all

Discuss Next Steps in Sale of City-Owned Virginia Avenue Property, Consider Scheduling Public Hearing

Chair Dyvik stated that one of the things the EDA would like to discuss is scheduling a public hearing. He stated that although the COVID-19 pandemic may change things, a public hearing could be held electronically.

Board member Goodsell agreed that it could be conducted electronically or by having people submit written comments. She stated that she does not think the public hearing should be delayed.

There was a general consensus to move forward in scheduling the public hearing.

Chair Dyvik asked Ben Landhauser whether the schedule he submitted was realistic or not.

Ben Landhauser, Lifestyle Communities, stated that he believes if a month was added to the dates that were submitted, he thinks that may be a more accurate and attainable schedule, but noted that there are obviously some possible mitigating factors like the COVID-19 pandemic.

Chair Dyvik asked about details of the TIF district and if there was a way for the EDA to be confident that the project was on a good track.

Mr. Landhauser stated that before the Council approves the TIF district, they will want to qualify the district as a redevelopment. He suggested that could be done as early as May or June in order for the TIF district to be approved by August or September.

Chair Dyvik asked for the outline of that schedule and the events that need to happen as part of the TIF district.

Mr. Landhauser stated that he can send that to the City and suggested a joint conversation between himself, Executive Director Weske and Stacie Kvilvang from Ehlers to make sure that he is not over or under-estimating the timeline for the turnaround for this process.

Chair Dyvik asked if Mr. Landhauser was concerned about problems with financing considering what is going on right now with the COVID-19 pandemic.

Mr. Landhauser stated that the good news that he is seeing across the board is that banks are still interested in seeing new deals. He stated that the unknown is how ready the market will be to rebound after the construction is completed, depending on how long the economic downturn lasts. He noted that they are planning on it rebounding very quickly once it starts. He reiterated that everything they are hearing from lenders and banks is positive and they have a high level of confidence that they can still deliver this product in today's climate.

A motion was made by Goodsell, seconded by Miner, to schedule the public hearing for April 21, 2020, which will be held either in person, electronically or telephonically. Ayes: all

Chair Dyvik questioned whether the EDA may need to meet with more frequency as this moves forward.

City Attorney Thames stated that he does not think the EDA needs to meet more frequently at this point, but believes that having the flexibility to meet more often in the future would be a good idea.

Chair Dyvik suggested the EDA discuss meeting more frequently at their April meeting.

Board member Skjaret asked what the public meeting notification guidelines were for an EDA meeting.

City Attorney Thames stated that it is the same as a Council meeting, which is a minimum three-day notice.

Board member Skjaret stated that the meeting method being used tonight is a great option for putting together this kind of meeting in the future.

Mr. Landhauser stated that he is open to giving more updates to the interested parties whether or not the EDA decides to meet more frequently.

Chair Dyvik stated that he thinks getting more regular status updates would be good for this property, even if it is written communication. City Attorney Thames advised that the appropriate channel for this type of communication would be to go through Executive Director Weske.

OTHER BUSINESS

None.

ADJOURN

Hearing no objection, Chair Dyvik adjourned the meeting by general consent at 6:24 pm.

Respectfully submitted,
Scott Weske, Executive Director